

SADALSUUD GROUP LIMITED

BUSINESS PLAN

FOR

ESTABLISHMENT OF

CONSTRUCTION COMMENCEMENT

**SADALSUUD GROUP LIMITED**  
**SETTING UP FACILITIES FOR OPERATING A**  
**CONSTRUCTION COMMENCEMENT CIVIL ENGINEERING PROJECT**

**1. INVESTMENT PLAN**

The Business Plan was prepared by SADALSUUD GROUP LIMITED for setting up a processing plant project.

The investment proposal was prepared to show clearly an analysis of the financial, human resource, technical and other resources required for the project and also assess its economic viability and commercial viability in order to allocate funds for the construction processing for the 15 unique private villas, each with a private swimming pool, providing a total of 40 beds. Additionally, the plan includes the creation of a dining area and a comfortable lounge. etc.

The TIC certificate will enable the project to qualify for duty exemption Deemed capital Goods and VAT Deferment on Capital Goods. the Deemed Capital Goods such as importation of heavy machines handling equipment, generators, transformer etc and enjoy services under one stop shop at Tanzania Investment Centre services under one stop shop such as approvals, license and permits such as residence and work permits, Business License, protection of investment, arbitration and transfer of foreign currency etc.

**2. COMPANY BACKGROUND**

SADALSUUD GROUP LIMITED is a private company based in Dar es Salaam, was incorporated in Tanzania by Registrar of Companies under company ordinance on 14 day of July 2020 with certificate of incorporation No; 169017271. The company has been

incorporated with a major objective of establishing and operating a project for construction commencement.

Currently the company intends to import facilities for processing in this project such as vehicle exemptions for 15 land cruisers hardtop units, 2 Land cruiser pick up units, 2 Fuso/ Isuzu Canter refrigerated units, 2 boats, 3 balloons and 10 quads.

Exemptions for radio calls, tires, and necessary tools.

Fixtures, including gensets, solar panels, bathroom fixtures, pumps, furniture, lighting, and utensils/crockery.

The main purpose of the proposed project is to undertake the business to correspond with the clients of demand for construction commencement. Products especially in this competitive market, the quality of company business will guarantee clients satisfaction in proposed programme.

Construction commencement is becoming the most needed project as it is the major component in developing countries. There is a very high demand for such commencement in all around the country. SADALSUUD GROUP LIMITED will be one of the only few major construction companies processing company in the country (world). It is on the basis of the above reasons the management resolved to invest in establishing and operating a project for the construction process business. In setting up the facility, the intended project.

Hence the establishment programme of three years in setting up facilities for the project is estimated to be USD 138,354.58. The estimated capital investment cost of USD 7,000,000 will be on pickups, hardtop, fork lift, trailers, forklifts, crane, reachstacker, communication equipment, workshop equipment, generators etc.

### **3. TARGETED MARKET**

There is very high Demand for the tourism sector in Tanzania from the whole world. Following the call of making the world a better place by promoting tourism mostly from the ROYAL TOUR made by the Tanzanian President HER. Excellency Samia Suluhu Hassan in the year 2022. The ready market for all constructing of luxury 5 star places for tourists.

## **ECONOMIC GROWTH**

The economic growth influenced such movement of goods especially industries and businessmen as the demand is growing day by day for the increased imported goods, transit and transshipment of containers to landlocked countries and other countries to be exported to.

SADALSUUD GROUP LIMITED intends to maximise the project production. The project promoter is a well established business person who is to carry out various businesses majoring in construction commencement processing. Having seen the opportunity of exercising in this business the directors are now prepared to establish a processing project.

#### **4. CARGO TRANSPORTATION FACILITIES;**

- Fleet of trucks, tractors, Tipper
- Supporting vehicles such as hardtops and pick ups,
- Cargo handling equipment; forklift, reach stackers, cranes
- Communication equipment; Radio calls, Base station, GPS, car tracking systems.
- workshop equipment, generators.
- etc

#### **5. THE COMPANYS OBJECTIVES**

SADAALSUUD GROUP LIMITED is a project for construction Commencement processing business in Tanzania Mainland.

The mission of proposed project is basically aimed at construction and processing business and marketing or promotion of the project in order to increase customers from Tanzania to achieve the following objectives;

- (a) To carry on business of road, water streams, dams, bridges, airports, Hotels and Civil Engineering works of all kinds in anywhere in the world.
- (b) To carry on the business of construction of buildings of all kinds in anywhere in the world.
- (c) To carry on the business of specialized construction activities of all kinds and category.
- (d) To carry on the business of electrical installation of all kinds in anywhere in the world.

(e) To carry on all the business of Hotels and Resorts, short Term to long Term Accommodations, Restaurants, Cafes, Holiday camps, Resorts, Taverns, Beer-houses, refreshment rooms, night clubs, cabarets and swimming pools and lodging or apartment house keepers, licensed victuallers, wine, beer and spirit merchants, brewers, distillers' bakers and confectioners and importers of aerated mineral and artificial water and other drinks.

(f) To carry on Real Estate Development, Estate Agencies and Property Management, as estate agents and estate managers and to collect rents, repair, look after and manage immovable properties of or for any persons, firms and companies, governments institutions and agencies, to give, take, let and sublet rent contracts and to carry out, undertake or supervise any building, constructing, altering, improving and repairing of the immovable properties

## **6. PLAN OR PROSPECTS**

(a) Smooth running of the constructing process business.

(b) For efficient and effectiveness in operation and increase of the project business to neighboring landlocked countries and hence resulting foreign earnings in addition to the prevailing local market.

(c) To increase more facilities for the project i.e work machines with introduction of new technology.

(d) To increase the volume of the project or capacity of the project to be processed in the Construction.

The investment proposal was prepared to show clearly an analysis of the financial, human, technical and other resources required for the project and also assess its economic viability and commercial viability in order to allocate funds for construction and processing project.

The document has been prepared to serve as a business plan SADALSUUD GROUP LIMITED for the operator project specializing in construction as a processing project. The implementation of the project will comprise of the following activities:

- Construction or renovation of buildings with enough space.
- The construction of a modern office and

- Purchasing CCTV and communication equipment.
- Equipping the company with relevant facilities.
- The purchasing of company vehicles.

The proposed project is estimated to cost about TZS 1,000,000,000/=. The project sponsors will provide full funding amounting TZS 500,000,000/= I terms of equity contribution while the rest TZS 500, 000, 000 will be re investment of cash generated from operations.

## **7. THE PROJECT PROMOTERS**

The shareholders of this project are all entrepreneurs with a diverse professional and business backgrounds. The company is owned by 2 shareholders, namely;

Name	Shares%	Nationality
USAMAH YUSUF TIMIMI	9999	KENYAN
AISHA MOHAMED ABDALLAH BADBESS	01	KENYAN

## **8. LOCATION:**

The project head quarter will be In Dar es salaam, Mwenge . Mwenge Near TRA offices Mwenge. The operation of a Constructionl processing plant located in Kilwa, Ruaha, Mikumi, Tarangire, Ngiriama, ruaha and Nyerere National Park. Postal Address P.O.BOX 2465 Dar es salaam Mwenge

## **9. COMPANYS IMPLEMENTATION SCHEDULE**

### 9.1 NOVEMBER- 2023

- Preparing feasibility study for the land space and the project area at the sited places.
- Registration of the project with Tanzania Investment Centre i.e Application for the Certificate of Incentives.
- Getting the Certificate of Incentives.

### 9.2 DECEMBER-2023

- Application for import Duty exemption on trucks, tractors, lorries, supporting vehicles, workshop equipment, communication equipment, cargo lifing equipment after being awarded certificate of incentives in the establishment programme.

(b) Importing of cargo lifting equipment, generators, transformers ball mill, flotation machine etc.

9.3 JANUARY-2024

(a) Recruiting new employees, mechanics and other administration staff.

(b) Construction of the factory, warehouse, and other necessary buildings.

(c) Fully commencement of the project and the mining process.

#### 10. CAPITAL INVESTMENT COST

<b>Land and Building</b>	<b>USD \$ 500,000</b>
<b>Plant and Machinery</b>	<b>USD \$ 250,000</b>
<b>Vehicles</b>	<b>USD \$ 250, 000</b>
<b>Furniture and Fittings</b>	<b>USD \$ -</b>
<b>Pre- expenses</b>	<b>USD \$ 100,000</b>
<b>Other expenses</b>	<b>USD \$ 100,000</b>
<b><u>Working Capital</u></b>	<b><u>USD \$ 100,000</u></b>
<b>TOTAL CAPITAL</b>	<b>USD \$ 1,300,000</b>

The intended project is to be implemented within 2 years. The company promoters (shareholders) have resolved to register the project with Tanzania Investment Center (TIC) and securing the certificate of incentives.

#### 11. FINANCIAL PLAN (SOURCE OF FUNDS)

ELVES GRAPHITE TANZANIA LIMITED has firmed up finances for the implementation programme by its fund and Loan.

<b>Own fund (equity)</b>	<b>USD \$</b>
<b>8,000,000</b>	
<b>Local loan</b>	<b><u>USD \$</u></b>
<b><u>5,000,000</u></b>	
<b>TOTAL</b>	<b>USD \$</b>
<b>1,300,000</b>	

## **12. GRAPHITE PROJECT MINING PROCESS**

- (i) Trucks
- (ii) Cranes
- (iii) Weigh bridge, Generators, Transformers
- (iv) Pickups
- (v) Forklift.
- (vi) Mobile workshop, Tool boxes
- (vii) GPS AND car Tracking system

## **13. SUBMISSION**

SADALSUUD GROUP LIMITED submits the investment proposal and application to the Tanzania Investment Centre (TIC) for registration and award of certificate of Incentives for the commencement of the processing project.

The project will soon commence after the company is registered by Tanzania Investment Centre and being issued the Certificate of Incentives. Thereafter the company will import the project facilities such as flotation machine, ball mill, thickener system, dryer, heavy duty machines, cargo handling equipment, generators, transformer, Certificate of Incentives will enable the project to qualify for Duty exemptions on Capital and Deemed Capital Goods etc.

## **14. ECONOMIC GROWTH**

The current economic growth which had been registered in Tanzania, as the result of investment, business, constructing have attracted more investments as well as processing and business in the Tanzania such as the intended mall construction project. The economic growth influenced such movement of goods especially industries and business as the demand is growing day by day for the increased production.

## **15. COMPETITION OR MARKET**

Despite there being numbers of constructing and commencement of buildings in Tanzania, still the commodity is not enough compared to the level of demand.

However, the intended project will provide trustworthy, efficient and quality services to dominate the local and export market because the project ensure high quality, promptness and goodwill.

#### **16. ADVERTISEMENT**

Advertisement which forms part of the marketing strategy, will be embarked upon in the newspapers, street banners and later on in the televisions in a manner benefiting the promotional role of any company or private institutions.

#### **17. BUSINESS STRATEGY**

In order to meet the current demand and high productivity the management of the company will develop and implement additional strategies which will capture markets.

- (i) Technology and quality fleet of vehicles.
- (ii) Advertisement and Promotion,
- (iii) Employing qualified and experienced operators,
- (iv) On job training,
- (v) Business Discipline.

#### **18. ENVIRONMENTAL ISSUE**

The construction and commencement processing project business and the whole project implementation is environmental friendly. The workshop activities of services will not cause any harm to people.

#### **19. PROJECT MANAGEMENT**

The overall management of the company is vested in the Board of Directors. USAMAH YUSUF TIMIMI and AISHA MOHAMED ABDALLAH BADESS are the shareholders of the company and they are well versed in distribution of the business.

## **20. MANPOWER AND TRANSFER OF TECHNOLOGY**

SADALSUUD GROUP LIMITED being the constructing processing project in its commencement will usher in the technology by using modern workshop activities. The advantages to the country are quite significant, and will get the advantage of value addition due to such incoming technology.

The proposed project will cause more people to be employed in as operators, labouratory technicians, different types of personnels, security guards accountant, logistic manager and about 1000 local people and foreigners will increase their income, improve their social welfare and pay taxes; it is poverty alleviation programme to them.

local employees will get on job training in a long run will improve the technical competence in the project.

## **21. CONCLUSION AND RECOMMENDATION**

The financial evaluation of the project done so far indicates that this project will be profitable both economically and financially viable venture. There are many other benefits direct and indirect of this project.

The management being experienced businessmen possesses ample managerial capabilities in various business disciplines.

Based on the above factors, it is recommended that the company should be granted the certificate of incentives for the implementation of the project so that the project will operate and enjoy tax exemption on capital and deemed goods and increase its production capacity.

## **22. FINANCIAL AND ECONOMIC ANALYSIS**

### **22.1 Projected Profit and Loss Account**

The company envisages generating a profit of USD \$ 250,000 this operating year. The profit amount is expected to steadily rise to USD \$ 260, 000 in year two, USD \$270,000 in year three and USD \$280,000 in year four.

## 22.2 Projected cash flows

The projected cash flows for the next five years indicate that the company will have enough funds to service and repay the loan and interest payments. Hence the financial obligations will be met in a timely fashion.

## 23.3 Proposed Balanced Sheet

The projected balance sheet shows healthy financial situation. Short term liabilities are all times covered by fixed assets. Also current liabilities are adequately covered by current assets.

### Appendix 1

LIMITED

STATEMENT

SADALSUUD GROUP

PROJECTED INCOME

(Fig. USD \$ '000')

INCOME	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Sales Income	720.0	760.0	800.0	850.0	900.0
Total Income	720.0	760.0	800.0	850.0	900.0
Utilities	150.0	150.0	150.0	150.0	150.0
Salaries and wages	80.0	85.0	90.0	100.0	110.0
Transportation/fuel	100.0	105.0	110.0	120.0	130.0
Administrative					
Expenses	100.0	110.0	120.0	130.0	140.0
Other Expenses	40.0	50.0	60.0	70.0	80.0
Total Expenditure	470.0	500.0	530.0	570.0	610.0
Net Profit (pre tax and depreciation)	250.0	260.0	270.0	280.0	290.0

### Appendix II

STATEMENT

SADASUUD GROUP LIMITED

PROJECTED CASHFLOW

**(Fig. USD \$ '000')**

YEAR	1	11	111	1V	V	TOTAL
<b>Cash inflow</b>						
Income from operation	250.0	260.0	270.0	280.0	290.0	1350.0
	250.0	260.0	270.0	280.0	290.0	1350.0
<b>Cash outflow</b>						
Interest payments	50.0	45.0	40.0	35.0	30.0	200.0
Loan re-payment	50.0	50.0	50.0	50.0	50.0	250.0
Wear and tear	10.0	12.0	14.0	16.0	18.0	70.0
Taxes	10.0	10.0	10.0	10.0	10.0	50.0
	120.0	117.0	114.0	111.0	108.0	570.0
<b>Surplus cash generated</b>	130.0	143.0	156.0	169.0	182.0	780.0

### Appendix III

### SADALSUUD GROUP

### LIMITED

### PROJECTED LONG TERM LOAN

### REPAYMENT

**(Fig. in USD \$'000')**

YEAR	PRINCIPAL	INTEREST	TOTAL	AMOUNT
0				500.0
I	50.0	50.0	100.0	450.0
II	50.0	45.0	95.0	400.0
III	50.0	40.0	90.0	350.0
IV	50.0	35.0	85.0	300.0
V	50.0	30.0	80.0	250.0
VI	50.0	25.0	75.0	200.0
VII	50.0	20.0	70.0	150.0
VIII	50.0	15.0	65.0	100.0
IX	50.0	10.0	60.0	50.0
X	50.0	5	55.0	00.0

**Appendix IV****SADALSUUD GROUP****LIMITED****PROJECTED BALANCE****SHEET****(Fig. in USD \$ '000')**

NO.	ITEM	YEAR I	YEAR II	YEAR III	YEAR IV	YEAR V
	<b>SOURCE OF FUNDS</b>					
1.	Shareholders funds	100.0	150.0	200.0	250.0	350.0
2.	Long Term Loan	100.0	95.0	90.0	85.0	80.0
3.	Associated Cos/ Directors	100.0	100.0	100.0	100.0	100.0
4.	Current liabilities	0.0	0.0	0.0	0.0	0.0
		0.0	0.0	0.0	0.0	0.0
	<b>Application of funds</b>					
1.	Fixed Assets	300.0	300.0	300.0	300.0	300.0
2.	Current Assets	200.0	295.0	390.0	485.0	630.0
		500.0	595.0	690.0	785.0	930.0

